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Investigating the Needs for Achievement, Risk Taking and Tolerance for Ambiguity toward Entrepreneurial Passion among Single Mother Entrepreneur in Malaysia

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Abstract

Over the years, a stigma arises along with the term ‘single mother’ which signaled an under privilege circumstances of single mother whom had to endure life and upbringing of children without the true breadwinner of the family. Some of these single mothers venture into entrepreneurship with a hope to change their lives, but only some ended up with a success stories in their entrepreneurial ventures. The present study is intended to explore the inspirational and motivational dimensions of successful single mother entrepreneur that would help sustaining the interest of single mother into entrepreneurship. This will later be propose as an entrepreneurial inspiration concept for single mothers in Malaysia. Taken from various literatures on human motivation and psychological needs, McClelland’s needs theory as well as Cardon’s Entrepreneurial Passion theory have been adopted as a measure of this study. The findings were supported by a research survey, using cluster sampling technique carried out in six states in Malaysia (representing East, West, North and South of Peninsular Malaysia together with Sabah or Sarawak representing East Malaysia). The results of the empirical test had given some support on how to provide a foundation from which appropriate measures can be taken to initiates and improve the development of single mother’s entrepreneurial activities in Malaysia.

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1. Introduction

Entrepreneurial passion has been one of the key discussions in the development of entrepreneurial activities today. Being an entrepreneur requires a lot of effort, knowledge as well as capability and passion. However, despite a lot of success stories heard especially among single mothers, there are also failures which raise certain issues. Are they really passionate about being an entrepreneur? Thus, this study aimed to find answers on what makes one single mother is more successful in terms of their passion compared to others. Rohayu et al. (2000), in their studies states that despite being supported by large channels of assistance by the government, many single mothers are still not resourceful and successful, and mostly rely solely on government assistance which resulted in continuous poverty. Hence, this study is intended to find out and explore the inspirational and motivational dimensions that would help sustain the interest of single mother into entrepreneurship. The work of Shanea, Locke and Collins (2003) were applied by reserachers in order to explain entrepreneurial motivation and Cardon et al. (2009) on entrepreneurial passion.

This study is deemed timely especially with the Malaysian government is trying to improve the quality of life of single mother in Malaysia. With the number of single mothers entrepreneur is growing up, how successful this single mother to face the challenge is still questionable. Some may survive and some may just stop at the middle because of various reasons.

2. Literature Review

2.1. Entrepreneurial passion

The concept of 'passion' is thought to be important due to the fact that single mother faces tough life in order to survive. Passion is needed as a means to achieve high levels of performance and to overcome barriers to change. There are different inspiration factors influencing a woman to become an entrepreneur, and the circumstances are unique to the person (Woldie and Adersua, 2004). Other scholars discuss passion as an individual trait, by concluding that entrepreneurs may be passionate people (Johannessen et al., 1999). Vallerand et al (2003) introduced the concept of The Dualistic Model of Passion (DMP) which suggested that individual may experience passion in two ways: The obsessive or the harmonious passion. In this study, harmonious passion was used in to explaining entrepreneurial passion as hypothesised by Vallerand; "emerge from autonomous internalization" as compared to obsessive passion. This is to show that passion somehow will influence individual entrepreneurs; they will be passionate regardless of what specific venture they are involved in, which in turn they will be passionate about all aspects of their lives. Shane and Venkataraman (2000) explain that entrepreneurial thoughts and behaviors, and by extension emotions, are not stable characteristics that differentiate some people from others across all situations. Instead, both individual and venture must be considered, as it is their interaction that drives entrepreneurial success (Shook et al., 2003). Based on the previous research by Shanea, Locke and Collins (2003), the researchers have decided that the dimension of Entrepreneurial Passion in this study to include: i) Need for achievement (nAch), ii) Risk taking, iii) Tolerance of ambiguity.

2.2 Need for achievement

McClelland (1961) argued that individuals who are high in nAch have a strong need in activities or tasks that have a high degree of individual responsibility to achieve a goal, require individual skill and effort, have a moderate degree of risk, and include clear feedback on performance. Further, McClelland (1961) argued that entrepreneurial roles are characterized as having a greater degree of these tasks attributes than other careers; thus, it is likely that people high in nAch will be more likely to pursue entrepreneurial jobs than other types of roles. Carland *et. al* (1984) included the element of risk taking, innovative, growth, a need to control, a need for achievement and desire to be independent as the entrepreneurial need to success. At the beginning of successful entrepreneurs, not all are in high motivation, with the situation that they are currently facing and necessities in life. Nevertheless, they polish up their skills and talent to adapt with the environment in pursuing success (Carland *et al.*, 1988). Current situation faced will encourage individuals perceive entrepreneurship as a need for achievement surviving in life.

2.3 Risk taking

Risk is a critical element in entrepreneurial decision making but effect of risk, risk perception and risk propensities on entrepreneurial choice have not been explicitly examined (Forlani and Mullins, 2000). McClelland (1961) claimed that individuals with high achievement needs would have moderate propensities to take risk. This claim by McClelland (1961) is especially interesting for entrepreneurship research because the entrepreneurial process involves acting in the face of uncertainty. Several recent evaluative studies using interviews and expert evaluations (e.g., Corman, Perles and Vancini, 1988; Fry, 1993) showed that firm founders objectively have a higher propensity for risk than the members of the general population, but that firm founders do not perceive their actions as risky. In addition, Lumpkin and Dess (1996) argued that in achieving entrepreneurial needs, the entrepreneurial orientation consists of elements of autonomy, innovative, risk taking, proactive and competitive aggressiveness. Entrepreneur must be able to calculate risk in order to accomplish entrepreneurial goal. Understanding the potential of risk can be characterized based on degree of decision making that will be made. More risks are involved when the uncertainty of the potential outcome, high degree of variability in possible outcome and the potential of extreme outcome (Desislava and Matilda, 2011).

2.4 Tolerance for ambiguity

Schere (1982) argued that tolerance for ambiguity is an important trait for entrepreneurs because facing up the challenges and potential for success associated with business start-ups are by nature unpredictable. Budner (1982) defined tolerance for ambiguity as the propensity to view situations without clear outcomes as attractive rather than threatening. Furthermore, Tolerance of ambiguity is an emotional reaction toward ambiguous environment, complex and changing situation (Bushan and Amal, 1986). Entrepreneurs continually face more uncertainty in their everyday environment than managers of established organizations; entrepreneurs who remain in their jobs are likely to score high on tests for this trait than managers. This is because the entrepreneurs who have low tolerance of ambiguity, they will experience stress, reacts prematurely, avoids ambiguity and seek for certainty (Furnham and Ribchester, 1995). For that reason, entrepreneurs must have high tolerance of ambiguity because according to Kirton (1981), a person who has high tolerance of ambiguity will feel the ambiguous situation as challenging, desirable and interesting because it requires individual to think creatively and structure an approach due to changes and problem from innovative perspective. Due to the current situation of environment now a day, entrepreneur must be able to cope with ambiguity. In addition, ability to react quickly and able to adjust successfully will be a critical ability that need to be increase (Cristos and Kleanthis, 2011).

Therefore, we come out with the following research hypotheses:

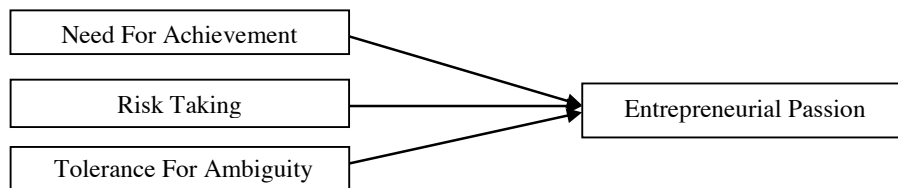


Fig. 1 Hypothesized model.

The framework is being proposed together with four (4) testable hypotheses to be analyzed:

- H1. There is a significant relationship between Need for achievement and Entrepreneurial Passion
- H2. There is a significant relationship between Risk Taking and Entrepreneurial Passion.
- H3. There is a significant relationship Tolerance For Ambiguity and Entrepreneurial Passion.

3. Methodology

The population for this study consists of single mothers in Malaysia. As the nature of population is widely dispersed geographically, it would be too time consuming to get the probability sample unit of the study. In order to represent the whole country, the best sampling technique to be adopted is cluster sampling, as it would represent the whole population of the study and able to be conducted within the time frame effectively and economically. The states that were involved in this study are:

- Kuala Terengganu (represent East Coast, Peninsular Malaysia)
- Kuala Lumpur (represent West Coast, Peninsular Malaysia)
- Melaka and Johor (represent Southern region, Peninsular Malaysia)
- Sabah and Sarawak (represent Eastern Peninsular)

3.1 Instrumentation

The instrumentation is based on the findings from Stage One (that is through observation) supported with the information from the literature. From there, questionnaire is developed and the scaling techniques to be used for the questionnaire design are nominal scaling and Likert scale. Data for the research were collected by using personally administered questionnaire, conducted by a number of trained research assistant under the close supervisions of the researchers.

All of the items were measured using a seven-point Likert Scale ranging from “ Strongly Disagree to 7” Strongly Agree”. Out of 300 questionnaires distributed, only 246 can be used for the purpose of the study. The remaining 54 questionnaires were void because of poor or incomplete data. The data were analysed and tested through regression analysis.

4. Result and Discussion

4.1 Reliability of measures

The inter-item consistency reliability or the Cronbach's alpha reliability coefficients of the independent and dependent variables are obtained as shown in Table 1. The results show that all Cronbach's alpha for the variables is above 0.5. Therefore the internal consistency reliability of the measures used in this study is acceptable. (Sekaran, 2003).

Table 1. Correlations.

Instruments	No.of Item	Result
Need for Achievement	7	.526
Risk Taking	7	.725
Tolerance for Ambiguity	8	.602
Entrepreneurial Passion	10	.652

4.2 Correlations among variables

Pearson Correlation is used to test for association. The correlation between two variables reflects the degree to which the variables are related. From the Table 2, it indicates that all dimensions of independents variables that consist of Need for Achievement, Risk Taking and Tolerance for Ambiguity demonstrates a significant correlation with Entrepreneurial Passion ($r = 0.285, 0.383$ and 0.550 respectively).

Table 2. Correlations.

		Need for Achievement	Risk Taking	Tolerance for Ambiguity	Entrepreneurial Passion
Need for Achievement	Pearson Correlation	1	.400**	.466**	.285**
	Sig. (2-tailed)		.000	.000	.000
	N	246	246	246	246
Risk Taking	Pearson Correlation	.400**	1	.477**	.383**
	Sig. (2-tailed)	.000		.000	.000
	N	246	246	246	246
Tolerance for Ambiguity	Pearson Correlation	.466**	.477**	1	.550**
	Sig. (2-tailed)	.000	.000		.000
	N	246	246	246	246
Entrepreneurial Passion	Pearson Correlation	.285**	.383**	.550**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	246	246	246	246

4.3 Regression analysis

Table 3. Coefficients.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.750	.099		7.553	.000
	mean_NFA	.001	.050	.002	.025	.980
	mean_risktaking	.122	.048	.156	2.516	.013
	mean_toleranceforambiguity	.457	.062	.475	7.409	.000

4.4 The predicts of entrepreneurial passion

In finding out the best set of predictors of the Entrepreneurial Passion among single mother, three predictors multiple linear regression models was proposed. The three predictor variables are Need for Achievement (X_1), Risk Taking (X_2) and Tolerance for Ambiguity (X_3). The equation of the proposed multiple linear regression models are as follows:

$$Y(P) = b_0 + b_n(X_1) + b_n(X_2) + b_n(X_3) + e \quad (1)$$

Where:

Y = Entrepreneurial Passion (P)

b_0 = Constant (Intercept)

b_n = Estimates (Regression Coefficients)

X_1 = Need for Achievement

X_2 = Risk Taking

X_3 = Tolerance for Ambiguity

To determine the best set of predictor variable in predicting Entrepreneurial Passion among single mother, a stepwise regression method was used. Based on the stepwise method used, only two predictor variables were found to be of significance in explaining an Entrepreneurial Passion among single mother. The two predictor variables are Risk Taking (X_2) and Tolerance for Ambiguity (X_3). Need for Achievement (X_1) is excluded because it did not contribute in significance ($t = 0.25$, $p = 0.980$) to the variation of dependent variable (P).

The estimated model is as below:

$$Y(P) = 0.750 + 0.001(X_1) + 0.122(X_2) + 0.457(X_3) + e \quad (2)$$

Table 4. Model summary.

Model	Adjusted R square	Std.Error of the Estimate	R Square Change	F Change	Sig. F Change
1	.313	.25368	.321	38.181	.000
a. Predictors: (Constant), mean_toleranceforambiguity, mean_NFA, mean_risktaking					
b. Dependent Variable: mean_entrepreneurialpassion					

Table 5. Anova.

Model		F	Sig.
1	Regression Residual Total	38.181	.000 ^a
a. Predictors: (Constant), mean_toleranceforambiguity, mean_NFA, mean_risktaking			
b. Dependent Variable: mean_entrepreneurialpassion			

The R-squared of 0.313 implies that the three predictor variables explain about 31.3% of the variance in the dependent variable. The ANOVA table revealed that the F-statistics (38.181) is large and the corresponding p-value is highly significant (0.000) or lower than alpha value of 0.05.

Table 6. Estimates of coefficients for the model.

P dimension	Unstandardized Coefficients		Standardized Coefficients	t	p-value
	B	Std. Error	Beta		
(Constant)	.750	.099		7.553	.000
mean_NFA	.001	.050	.002	.025	.980
mean_risktaking	.122	.048	.156	2.516	.013
mean_toleranceforambiguity	.457	.062	.475	7.409	.000

As depicted in Table 6, the largest beta coefficient is 0.475 which is for Tolerance for Ambiguity. This means that this variable makes the strongest unique contribution to explain the dependent variable (P), when the variance explains by all other predictor variables in the model are controlled for. It suggests that one standard deviation increase in Entrepreneurial Passion is followed by 0.475 standard deviation increase in P.

5. Conclusion, Limitation and Further Research

Overall, it can be concluded that the proposed objectives have been achieved. The first objective is to investigate the relationship between independent variables namely: (Need For Achievement; Risk Taking; Tolerance for Ambiguity) and the Entrepreneurial Passion. The researchers hypothesised that every independent variables will have a significant relationship with the dependent variable that is Entrepreneurial Passion.

Out of three hypotheses, only two independent variables were found significantly related with Entrepreneurial Passion which are Tolerance for Ambiguity and Risk Taking . Need for Achievement surprisingly did not achieved the level of significance as expected. Cardon et al (2005), explains that Risk Taking is relevant with entrepreneur. For the purpose of this study, it was proposed that an individual entrepreneur especially these single mothers, with a passion to pursue their entrepreneurial venture, by nature are willing to take risks and would be more tolerance toward unprecedented event that might affect the business regardless of the need to achieve. Furthermore, the hardship of losing the breadwinner of the family has taught them an important lesson; to be willing to accept uncertainty. This is especially relevant with the work of Shane et al (2003) which suggested that risks are part of the entrepreneurial process that it “ acts in the face of uncertainty”.

The second objective of this research is to identify which of the three variables makes the strongest unique contribution towards the dependent variable.It was found that Tolerance for Ambiguity marks the best predictor to explain Entrepreneurial Passion. Based on the findings,the researchers would like to suggest that single mothers are passionate about being an entrepreneur and able to sustained in the long run because they can tolerate unpredictable circumstances, in which were portrayed in their life experience.

There are several limitations that should be considered with this research. First, the longitudinal studies should be taken into considerations in order to gain better picture of entrepreneurial passion among single mothers. This is because this cross sectional research design may limit the causal inferences among constructs. Finally, it would be more interesting if some other motivational influence are added to the present study to prove that motivation has a significant effect on passion.

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